

Let this be a message for all public officials. You treat people who work for you with respect. They are not playthings, they are people. It all boils down to respect and dignity.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

MORE BAD NEWS FOR AMERICA'S WORKERS

The SPEAKER pro tempore (Mr. HOEKSTRA). Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, tonight I want to talk about another company in our country and more bad news for America's workers as a result of NAFTA, the \$20 billion trade loser. This time the damage comes from Topeka, KS, where workers at the Flexel cellophane plant are being forced to take another pay cut, this time for 11 percent. This was reported in the August 31 issue of the Capital-Journal, which is their local newspaper. That means for a worker in that company making \$8.50 an hour they will now have their pay cut to close to \$8 an hour, and all this has happened after a wage freeze at that company that has been in effect since 1991. In fact, workers at Flexel have seen their wages drop from \$13 an hour 5 years ago now to the current proposal to ratchet them down even more, to \$8 an hour.

What has been happening to cause this ratcheting down of U.S. worker wages? Mexican-based cellophane manufacturing plants have been increasing their penetration of the United States market to nearly one-fifth, or 20 percent, of our marketplace, up from only 3 percent 4 years ago. Our workers are being forced again to compete against multinational companies that can set up shop anywhere on the globe in order to seek the lowest wages possible along with no environmental enforcement. In Mexico workers at those relocated cellophane plants earn about 50 cents an hour, and that is where America's wages are headed, my friends, and did you notice that the price of cellophane has not dropped in our grocery stores? You can figure out who is making the money off workers on both sides of the United States-Mexican border.

It is time to cancel NAFTA, go back to the drawing boards and reshape it, and stand up for the hard-working families of our continent who all are being taken to the cleaners, and, if I might quote from a retiree from that particular plant in Kansas, he tells us a little bit about what the story is in that community. He said originally du Pont company built what was then called the Tecumseh cellophane plant and

brought it on line in 1958, and back in those years that was the fifth plant in the United States making cellophane.

Mr. Speaker, the news articles I will include in the RECORD indicate that there are only two left in this country.

This worker went to work for that company in 1964 and retired in 1985. He says when he retired from the plant it was the last plant operating for du Pont in the United States making cellophane. About 1 year later it was sold to this owner, Flexel, out of Atlanta, GA, and when he left the company back in 1985, he was making just over \$12 an hour. Mr. Speaker, he wrote me because he was shocked to find 10 years later the workers in that plant were making so much less. He said:

Ms. KAPTUR, the imports from Mexico have had an impact on this plant and its workers, and I'm concerned because I still have a lot of my friends working there. Unfortunately all those workers in the United States and the low-paid workers in Mexico will gain no fairness, they will gain no equity, because there is nothing in the trade agreement that tries to compensate for the difference in living standards, political standards, and environmental standards between these two adjacent nations.

So, Mr. Speaker, this evening I will be submitting into the RECORD the entire story of what has happened in Topeka, KS, one community in our country that understands well the impact of footloose multinational corporations and what happens when the Government in Washington falls asleep and fails to protect the workers of this continent.

[The articles referred to are as follows:]

[From the Capital-Journal, Aug. 31, 1995]
PAY CUT OF 11 PERCENT GOES INTO EFFECT ON MONDAY

(By Morgan Chilson)

An 11 percent pay cut will begin Monday at the Flexel plant in Tecumseh, company officials told employees Wednesday.

Pay cuts are part of a company-wide plan to reduce costs because of increased global competition and declining demand for cellophane, said Gerry Broz, site manager at the plant.

Broz also stated adamantly Wednesday that reports from employees that company officials walked out on negotiations with Amalgamated Clothing and Textile Workers Union, or UNITE, last week were "completely inaccurate."

"After almost 10 months of good-faith bargaining and agreement on most issues, the company submitted a final proposal last Thursday calling for an 11 percent pay cut and work-rule changes that would lead to additional cost savings," Broz said.

Broz told employees in meetings Wednesday that Flexel and the union deadlocked over the issue of wage concessions.

Flexel officials opened financial information to a union auditor in the spring so employees would understand the economic difficulties facing the company, Broz said. Despite that, employees continued to ask for a five to 10 percent wage increase, he said.

Broz didn't elaborate on what the additional money saving measures were, but employees highlighted the loss of premium pay or Sunday time-and-a-half pay.

The cuts change several regulations, such as what happens when an employee goes

home from work sick, according to Randal Carnegie, an employee at Flexel who attended a morning meeting Wednesday.

"On the original program, if you get sick and if you work over two hours and you go home after that two hours, you get eight hours pay," Carnegie said. "They've done away with that."

Carnegie said the company also will no longer pay for annual physicals for employees. That expense will be out-of-pocket for the portion insurance doesn't cover, he said.

For employees on full-time disability, the company will not begin payment of disability pay until after four days and then only with a doctor's excuse, Carnegie added. Disability pay did start the first day off work, he said.

Carnegie, who has been working at Flexel for one year, makes \$8.50 an hour at the plant. His hourly wage will drop to \$8.04 an hour under the new cuts.

A source familiar with the negotiating process who spoke on the condition of anonymity said the average base wage at the plant has decreased since 1993 to \$12.78 per hour. An 11 percent decrease would lower that average base rate to \$11.37.

The plant employs over 240 employees, the source said. The base wage has gone down from the 1993 average salary of \$13.66 per hour because of lower starting wages, the source said.

Flexel Corp., based in Atlanta, owns the two remaining cellophane plants in the United States, the one in Tecumseh and one in Covington, Ind.

The Covington plant felt its share of cutbacks in April, when about one-third of the plant's 345 employees were laid off, according to reports published in the Commercial News in Danville, Ill.

That newspaper reported 20 salaried and 80 hourly employees were laid off.

The last time employees were laid off at the Tecumseh plant was in 1989, when 12 salaried employees and 30 temporary employees were laid off.

"We don't want to cut Tecumseh wage roll jobs because we want to keep Tecumseh production levels high," Broz said. "So we have no choice but to cut wages."

Carnegie said many employees believe other cost-cutting measures weren't researched. For example, he said, workers currently are paid for lunch shifts and if that policy could be dropped, it would save the company 2.5 hours per week per person.

Broz said it is untrue that other cost-cutting measures haven't been considered.

FLEXEL WORKERS FACE PAY CUT

Mandatory employee meetings today at Flexel Corp. will determine what options are left for members of the Amalgamated Clothing and Textile Workers Union of America after negotiations with management came to a halt last week.

Employees of Flexel, one of two remaining cellophane manufacturing plants in the United States, voted in October 1994 to join ACTWU and then began working with Flexel's management to negotiate a contract. It never got that far.

Last Thursday, members of the management negotiating team walked out of negotiations after leaving their only offer on the table, a source familiar with the negotiations said Tuesday on condition of anonymity.

Jerry Broze, site superintendent at the Flexel plant in Tecumseh, said the company would comment today on labor negotiations.

The source said Flexel's offer involved a reduction of \$1.4 million, which amounted to an 11 percent pay cut for employees. When totaled in with other aspects of the offer, including no more premium or overtime pay

for working on Sundays, employees would be taking about a 17 percent cut in pay and benefits, the source said.

"They basically put this crazy offer on the table and said it was because of their financial problems," said David Martinez, who has worked at Flexel for 16 years. He began with the company when it was owned by Du Pont. "We came through with a lot of suggestions of things that they could save money on. They just basically put that offer on and never negotiated anything in good faith."

Workers were told the new policies would be instituted Friday, and many think the mandatory meetings today will announce that plan.

Martinez said employees haven't received pay raises in more than four years, which has added to their disenchantment with management.

Wages were frozen in December 1991 at the average salary of \$13.66 an hour, according to a report in 1993.

Martinez alleged poor corporate management was the reason for the company's woes.

Martinez cited the purchase of a machine to make rubber gloves that is boxed and sitting in the warehouse unused as an example of poor decisionmaking by Flexel.

In previous years, management said the company experienced financial difficulties because of unfair competition from Mexico. Mexican companies export cellophane to the United States without paying a tariff.

In 1991, Lindsey Walters, president of the Atlanta-based Flexel Corp., said Mexican cellophane plants increased their penetration of U.S. markets to 18 percent from 3 percent during the previous four years.

OUTRAGEOUS THAT LONG ISLAND'S VOLUNTEER FIREFIGHTERS MUST TAKE VACATION TIME FOR FIGHTING THEIR WORST EVER FIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FORBES] is recognized for 5 minutes.

Mr. FORBES. Mr. Speaker, many of us in this Nation for many years have heard about the values of volunteerism. Our own President of the United States came up with a program where he thought we ought to pay volunteers in a program called national service. Tonight I want to address the floor for the purposes of talking about some tremendous individuals who work for the Federal Government. They are the postal workers of this Nation, the men and women who deliver our mail and the people like in my own village of Quogue, Long Island, where we go down to the mail and the employees in the post office are our friends there. They are our neighbors. They donate time to their communities, and a large number of these postal workers on Long Island also happen to be volunteers in the local fire company, volunteer firefighters.

Last evening I addressed this floor and talked about the recent fire on Long Island in which over 5,000 volunteer firefighters made a tremendous contribution. They saved our property, they saved our communities. At threat during that fire could very well have been the local post office in Eastport, the local post office in Speonk, the

local post office in West Hampton, Long Island, NY. All of these facilities, had they burned, would have cost the taxpayers many, many dollars to replace these fine postal facilities.

I am forced to come to the floor this evening because of an outrageous incident that I have learned involving the U.S. Postal Service. The postal employees who are our friends, many of our relatives, our neighbors, on Long Island who donated their time to fight the worst fire in Long Island history are now being told by their supervisors at the Postal Service in Washington that they are going to have to take vacation time to cover their absence from work to fight the worst fire in Long Island history. Mr. Speaker, I find that outrageous. I find that the worst example in government of bureaucratic mumbo-jumbo gobbledygook that serves no reasonable purpose. We have small employers on Long Island, delis, Main Street merchants, who can ill afford the loss of an employee for a full week, and yet these smallest of businesses are paying their employees who had to leave the business to go fight the fire.

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These volunteer firefighters are the best example of volunteerism, of courage, of bravery, and I find it outrageous that the United States Postal Service, the supervisors in Washington, have deemed them not worthy of being paid while they fought to save our communities.

Mr. Speaker, it is outrageous. I attempted to reach the Postmaster General of the United States, but I was told he was in Hawaii, and he has been there for about a week, and he is jetting home to Washington as we speak. I am hopeful that we can convince the Postmaster General and the hierarchy of the United States Postal Service that when men and women give up their time, thousands of hours to train themselves to stay up in the latest techniques in fighting fires, that they ought to be paid when the community is at risk, such as our communities on Long Island were at risk. I find it outrageous, as I have said repeatedly, that the United States Postal Service in Washington does not deem the volunteerism of its own postal workers in this time of need as worthy of reimbursement for their time away from the post office.

Mr. Speaker, I encourage the United States Postal Service to rethink its position, to pay the employees of the Postal Service who gave of their time to save our communities during the fire, and I ask them, again, to reconsider their position.

THE TRUTH ON MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I just wanted to discuss a couple of items tonight. A previous speaker on the other side of the aisle actually stood in the House Chamber just minutes ago and said that there is no problem with Medicare, that Medicare is not going bankrupt. I just find that unbelievable, that somebody would be still arguing about the April trustees' report, when it was offered by Clinton appointees, including Secretaries Shalala, Reich and Rubin, who are all appointed by Clinton. They are his right arm, for crying out loud. Drawing partisan lines on a trustee report that really is a Democrat report. I am flabbergasted, after a month back in the district talking to senior citizens, that somebody is at that stage of the debate.

The stage on this side of the aisle, number one, is that this is a bipartisan problem. People that get Medicare, they do not care if they are Democrats or Republicans who are writing the legislation. They want health care.

We are not going to get into a partisan debate on Medicare. What we are going to do is try to preserve and protect it so that it will be there tomorrow, and we are going to try to slow down the rate of increase. Medical inflation on average is about 4.5 percent. Medicare growth has been 11 percent. We are going to increase the benefit to each recipient from about \$4,800 to \$6,400. So the door is open. Any ideas from either party are welcome, but we are going to solve this problem in a bipartisan way. We are going to simplify Medicare, and protect and preserve it.

The gentleman from the 9th District of Georgia [Mr. CHAMBLISS] joins us, and I yield the floor to him.

Mr. CHAMBLISS. Mr. Speaker, I too am just somewhat flabbergasted by the comments made by the previous speaker from the other side of the aisle regarding the cuts in Medicare. He made one statement that Medicare is more solvent today than it has been in a long time. We had problems with it in the past and the reaction of this Congress was to make minor adjustments in the Medicare program.

Well, what the Democrats consider as "minor adjustments" is raising taxes. That is not what the American people want. The American people want a solid program with solid funding, not a program that is a runaway program that requires raising taxes to fix it.

Congress must act responsibly. We are charged by the American people to take a program like Medicare, to reform, revise, and improve that program to where we take money from the taxpayers and we spend it wisely. When it comes time for folks to receive the benefits of Medicare, they ought to be able to receive those benefits without the necessity of raising taxes.

Mr. KINGSTON. If the gentleman will yield, we actually raised the taxes on Medicare in 1993. All that did is postpone the bankruptcy I think three to six months. So raising taxes is not the solution.